

**TITLE 12. Military and Veterans Affairs**  
**Division 2. Department of Veterans Affairs**  
**Chapter 3. Veterans' Services**  
**Subchapter 4, County Subvention**

**453.1, Veterans Service Office Fund Distribution**

453.1 Veterans Service Office Fund Distribution.

(a) Beginning January 1, 1995, and continuing each fiscal year thereafter, upon appropriation by the Legislature, distribution of available moneys from the Veterans Service Fund (VSOF) shall be made on or after December 31st and June 30th of each fiscal year, in accordance with subsections (1), (2) and (3) below:

(1) The amount of \$2.00 ~~\$1.00~~ for each Veterans License Plate registration fee paid, each year, shall be allocated to the "Headquarters" of the Veterans Services Division, California Department of Veterans Affairs. This Allocation shall be limited each fiscal year to an amount not to exceed \$30,000. These funds shall be used to cover staffing and related costs for the following purposes:

(A) Veterans Service Office Fund administration, allocation, and auditing;  
(B) Veterans License Plate Program management, advertising, and publicity;  
~~(C) The development, implementation and operation of a Veterans Service Officer/Veterans Claims Representative Training Program. This program shall provide a professional development curriculum concentrating on skills necessary to function as a journey person Veterans Representative and achieve and maintain Accreditation under the provisions of Code of Federal Regulations Titles 38 Sections 14.629 through 14.634, and,~~

(2) The remaining amount of funds available after the Department original allocation, as described in Section 453.1(a)(1) above, shall be distributed in "pro rata" shares to each entity as described in Sections 453.1(a)(2)(A) and (B)~~(3)~~ below. The "pro rata" shares for counties shall be determined by comparing the total net expenditures of eligible counties ~~entities~~, to the total amount of VSOF funds remaining under this Section.

(A) The California Association of County Veterans Service Officers, Inc a 501c non profit organization shall be allocated the sum of \$30,000 and be responsible for the development, implementation and operation of a Veterans Service Officer/Veterans Claims Representative Training Program. This program shall provide a professional development curriculum concentrating on skills necessary to function as a

journeyperson Veterans Representative and achieve and maintain accreditation under the provisions of Code of Federal Regulations, title 38, Sections 14.629 through 14.634, and, The Department's Veterans Services Division's District Offices, as a single entity. The "net" expenditures of the District Offices shall be provided by the Department, and,

(B) Each County qualifying for VSOF funds distribution shall receive an education and training allocation in the amount of \$1,000.00 each fiscal year and shall be required to attend education and training conference(s) sponsored by the California Association of County Veterans Service Officers, Inc. Each county that has appointed a CVSO in accordance with Section 451, but only if that county is in receipt of funds appropriated under Military and Veterans Code Section 972 and has submitted semi-annual reports of net expenditures signed by the auditor/controller or other appropriate authority. These reports must be filed with the Department not later than June 1st for the July 1– December 31 semi-annual report, and November 1st for the January 1– June 30 semi-annual report, to request allocation funds from the Veterans Service Office Fund. Any county failing to submit their reports by these deadlines shall not be included in the Veterans Service Office Fund distribution for the applicable period.

(3) The remaining amount of funds available after the allocations described in Sections 453.1(a)(1) and (2) above, shall be distributed in “pro rata” shares to each eligible county as described herein. The “pro rata” shares for each county shall be determined by comparing the total net expenditures of each eligible county to the total amount of VSOF funds remaining under this Section. In order for a county to be eligible for a pro rata share, that county must have (A) appointed a CVSO in accordance with Section 451, (B) received funds appropriated under Military and Veterans Code Section 972, and (C) submitted semi-annual reports of net expenditures signed by the auditor/controller or other appropriate authority. The semi-annual reports referenced herein must be filed with the Department not later than January 31st for the July 1- December 31 semi-annual report, and July 31st for the January 1 - June 30 semi-annual report, to request allocation funds from the Veterans Service Office Fund. Any county failing to submit their reports by these deadlines shall not be included in the Veterans Service Office Fund distribution for the applicable period.

(b) Method of distribution of funds under Section 453.1(a)(2)(A) ~~and (B)~~.

(1) “Pro rata” shares shall be paid to each eligible county ~~entity~~ until such time as that county ~~entity~~ is being reimbursed by the Department at a level of 75% of its “net expenditures.”

(2) After all eligible counties ~~entities~~ under this section reach the initial 75% level of reimbursement of “net expenditures,” a new level of 100% reimbursement of “net expenditures” shall come into effect.

(3) No county receiving funds under this section shall be paid in excess of 100% of “net expenditures.”

(4) The Department and CACVSO allocations shall be divided in half and allocated in semi-annual payments at the same time as the county allocations.

(c) For the purpose of this section only, "net expenditures" means monies expended each year for the salary and expenses of the described entities (counties and district operations), less funds provided through Military and Veterans Code Sections 972, 972.1 and 972.5, and all other revenue and reimbursements. Any reduction in Military and Veterans Code Sections 972, 972.1 or 972.5 funding due to audit findings shall not be made up through the distribution of funds under this section.

(d) In the event an individual county's annual share of Military and Veterans Code Section 972.2 funds is less than their semi-annual payment, the county shall have their subsequent fiscal year share reduced by the amount of the overpayment.

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#### 450. Definitions

As used in Title 12, CCR, Sections 451,452,453,454,455

(a) “Annually available funds” are those moneys made available to the California Department of Veterans Affairs (Department) on an annual fiscal year basis, for the purpose of expanding the support of, and contributing to the subvention of county operational costs of the County Veteran Service Officer (CVSO). Funds are made available from the following sources:

(1) State general fund moneys through the annual fiscal year departmental budget or legislative appropriation process.

(2) Federal funds through contracting authority between the Department and the California Departments of Health Services and Social Services

(3) The Veterans Service Office Fund (VSOF) as created by Military and Veterans Code Section 972.2 relating to the Veterans License Plate Program.

(b) “County funds” are those county general fund moneys allocated and expended each fiscal year for the salary and expenses of the appointed CVSO function. These

county fund expenses are net expenditures after application of all offsetting revenue and reimbursements excluding the subvention funds paid by the Department.

(c) “Veteran” is a person who served in the active military, naval, or air service, and who was discharged or released therefrom under conditions other than dishonorable as defined in Title 38, United States Code Annotated, Section 101.

(d) “California Association of County Veterans Service Officers, Inc.” (CACVSO) is a 501c non-profit corporation as defined by the federal Internal Revenue Code. The purpose of CACVSO is to train County Veterans Service Officers/Veterans Claims Representatives and to support their work in representing the interests of veterans, their dependents and survivors residing in the State of California.